

The US uranium industry holds its breath over the result of Proposition 232

The US is currently very dependent on Russia (38.3%), Netherlands (25.9%), Germany (16.5%), UK (14.5%), and China (3.5%) for enriched uranium imports. Decades ago the U.S. dominated nuclear energy exports. Right now the US is facing stiff competition mostly Russian backed Kazakhstan. This is a worry for the Trump administration as the US share of the global uranium market was once quite high but has now fallen to ~<2%. Washington believes cooperation in the nuclear realm is central to its strategic relationships; however winning energy contracts isn't easy as both China and Russia are aggressively pursuing those deals often with the help of state subsidies. The majority of the huge global nuclear power deals being made are with Russian and Chinese and other state-owned corporations. This is at a time when the US hasn't been enriching uranium as they struggle to develop uranium mines at home.

Russia's stranglehold on processing is exacerbated by their underfeeding capacity. Of the latest data available, Russia produced 38.3% of the enriched uranium but only mined 4.9%. To add to this the enriched product for Kazakhstan and Uzbekistan was collectively 17% but are working under depreciated currencies and very little if any environmental regulations. Russia has a relatively large uranium resource, but it is deriving most of its feed stock from Uzbekistan and Kazakhstan. Russia is the last step in the process and has the ability to cut off the U.S should any issue arise.

China is also building up ties with Russia and uranium supply

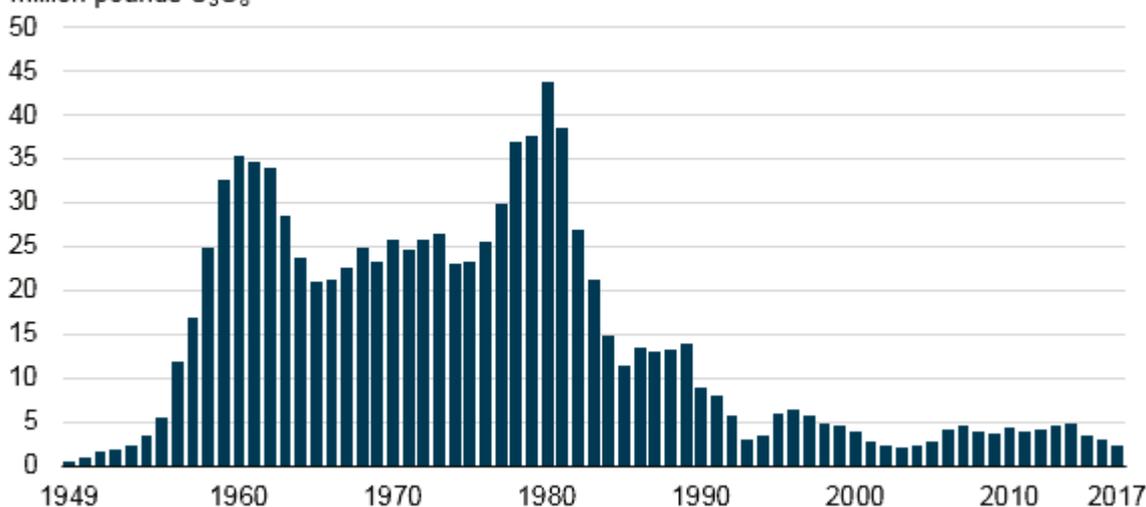
In a three day state visit to Russia last week, Chinese

President Xi Jinping and Russian counterpart Vladimir Putin agreed to upgrade bilateral relations during 70 year celebrations on diplomatic ties. Russia and China believe they have no choice but to cooperate to make their economies more independent from the West. Both are in an economic war with the U.S. It is becoming apparent that both countries are securing future uranium needs. As China expands its nuclear energy capacity it continues to purchase uranium mines, many of which are located in Africa.

U.S. uranium concentrate production (1949-2017)

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million pounds U_3O_8



20% of US energy comes from nuclear plants yet the US has almost no uranium production

The US is the world's largest producer of nuclear power with 30% of global nuclear electricity generation and needs to secure its nuclear fuel cycle for its 98 nuclear reactors. In fact, 20% of all US energy comes from nuclear plants making it a key source of US energy supply.

President could be the ignition to re-ignite the US's uranium industry in securing its future nuclear powered electricity needs. All the industry is asking for is a level playing field to compete with the subsidized state owned producers of Russia and China. We await a decision on or before 13 July, 2019.

Western Uranium & Vanadium Corp. (CSE: WUC | OTCQX: WSTRF) has seven past producing uranium mines that could go back online at minimal cost. They are currently not in production due to weak spot uranium prices; however the Sunday Mine and Saint Jude Mine are set to open this month (June 2019). Investors can read more in my recent update [here](#).

The Company has four main properties, which are estimated to contain a total resource of 70 million pounds of uranium. In addition, three of the four properties contain 35 million aggregate pounds of vanadium, grading between 1.4-2%. In December 2015, the Company entered into a uranium concentrates supply agreement with a top 3 U.S. energy utility for uranium delivery commencing in 2018. If Section 232 petition succeeds, Western Uranium & Vanadium would be a key potential new supplier of uranium for the US market.